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December 11, 2017

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

**Re: Request for Extension of Prepaid Advantage Program  
Docket No. 2015-136-E**

Dear Ms. Boyd:

On October 11, 2017, the Public Service Commission of South Carolina (the "Commission") issued Order No. 2017-654 in the above-referenced docket approving an extension through December 31, 2017 for Duke Energy Carolinas, LLC's ("DEC" or "the Company") Prepaid Advantage Program (the "Pilot"). In that Order, the Commission also approved an increase in the Pilot's participation limit to 2,200. As the Pilot has continued to operate and progress, customer interest continues to expand and the Company continues to identify new functionality to test and process improvements to implement, before a decision to move forward with a full-scale deployment should be made. In order to accommodate the continued customer interest which has the Pilot participation quickly approaching the 2,200-participant cap and allow for the needed testing of process enhancements and new potential features in the Pilot, the Company respectfully requests the Commission issue an order allowing the following:

1. Extend the Pilot thru June 30, 2018;
2. Increase the Pilot's participant limit from 2,200 to 4,000 participants;
3. Allow customers with Power Manager and Outdoor Lighting the ability to participate;
4. Change the final billed accounts timeframe from 5 business days to 15 days; and
5. Increase the maximum outstanding balance limit from \$300 to \$500.

Attached to this letter are clean and red-lined versions of the tariff showing the changes that DEC is proposing.



Extending the Pilot until June 30, 2018 and increasing the participation cap will allow the Company to continue to serve existing Pilot customers as well as allow organic growth in participation. This will also allow the Company to test the impact of the changes to customer eligibility requirements. The Company has additional features and functionality it plans to test as the Pilot progresses and will make the appropriate approval filings when applicable. Since the Company has recently seen more customer participation, it believes that it would be appropriate to increase the participation limit to 4,000, to ensure the Company does not have to turn away interested customers during the extension.

The Company does not propose to change the Prepaid Advantage Program tariff, except to address the requested extension, increases in the participant limits, eligibility requirements, increase in final bill timing, and the increase in the outstanding balance limit. The Company does not propose to change the Pilot's existing terms and conditions. The Company notes that this request does not require a determination of the entire rate structure of DEC nor its overall rate of return, and, as result, neither notice to the public nor a hearing is required. See S.C. Code Ann. § 58-27-870(F) (Supp. 2015).

Accordingly, Duke Energy Carolinas requests that the Commission approve the extension of the Pilot effective through June 30, 2018, allow the ability to increase the participant limit to 4,000 customers, allow the Company to modify the eligibility criteria so that customers with Outdoor Lighting and Power Manager have the ability to participate, change the final billed accounts timeframe to 15 days, and increase the maximum outstanding balance to \$500.

Yours truly,

Frank R. Ellerbe, III

FRE:tch

Enclosures

cc w/enc: Shannon Bowyer Hudson, ORS Deputy Director Legal Services (via mail)  
Heather Shirley Smith, Deputy General Counsel (via email)  
Rebecca J. Dulin, Senior Counsel (via email)  
Kim H. Smith, Regulatory Affairs (via email)

PREPAID ADVANTAGE PROGRAM (SC)  
(Pilot)

AVAILABILITY (South Carolina only)

Available on a voluntary basis, at the option of the Company, to new or existing residential customers in residences, served on a non-time of use rate schedule, who are not served on Schedule WC, Rider NM, Rider RNM,, enrolled on the Equalized Payment Plan, an active deferred payment arrangement, and are not classified as “special needs” customers. Residential customers who also have service under a lighting schedule that is deemed permissible by the Company are eligible to participate in the pilot program. Customers who also have service under a nonresidential schedule may participate in this pilot only under the condition that the residential service is established under a separate account from the electric service(s). Customers may not participate in non-regulated utility products and services unless the Company decides participation in the product or service is deemed permissible under the pilot program. Participation is limited to no more than 4,000 customers where the Company has installed an advanced meter with interval recording registers and remote communications capability. This rider is available until June 30, 2018.

PROGRAM PROVISIONS

Under this program, the Customer will pay for electric service before it is consumed allowing the customer to pay in accordance with the customer’s desired payment frequency and amount.

To enroll in this program, the customer must make a minimum initial payment of \$40.00. If the applicant for this program is an existing customer with an outstanding balance of no more than \$500, (a) any cash deposit on record may be applied as the initial payment (b) payments will be applied with 40% of the payment going towards an unpaid balance until satisfied with 60% going toward future electric use.

Participants in this program will have access to kilowatt hour usage on a daily basis along with an estimate of the daily cost of electricity via an internet website. The Company will send text messages and/or email alerts which provide estimated dollar amounts remaining before the balance becomes zero. Failure to receive a properly sent alert shall not entitle the customer to additional time to pay to avoid interruption of service. Failure to maintain a positive account balance may result in disconnection of service on the day after the account balance reaches zero; however, service disconnections will occur Monday through Friday no earlier than 10:00 a.m. and typically no later than 2:00 p.m. If disconnection of service is delayed for any reason when the prepayment balance is zero, the customer will accrue a debit balance and the debit balance must be paid along with a payment toward future service in order to maintain or restore service. Service will be reconnected once sufficient payment is received and no reconnect fee will be charged during the pilot.

Participating customers must have a valid email address and internet access. Alerts will be sent to customers based on the estimated remaining balance with 5, 3 and 1 days remaining. The customer may also elect to receive additional alerts via the website.

The estimated amounts provided to customers on a daily basis will be calculated based on the charges in applicable rate schedule divided by the number of days in the billing period. At the end of the customers’ normal billing schedule, a monthly bill will be calculated in the same manner as non-participating customers. As a result, an adjustment will be made to the account balance at the end of the regular billing cycle to ensure that amount billed for the month is consistent with the approved rate schedule and other charges. A month end adjustment will also be made in the case of an initial or final bill, certain rate changes, changes in municipal fees, taxes, etc. during a regular billing cycle.

If the customer discontinues service under this program but continues electric service at the same residence, the customer will be returned to normal monthly billing and a deposit or other security may be required.

If the customer voluntarily discontinues service at a location, any credit balance on the account will either be refunded to the customer or transferred to the customer’s account at a new location.

If the customer’s service is disconnected for failure to make a payment towards future service and does not make a payment within fifteen (15) days to restore service, the account will be final billed and the customer will need to reapply for electric service.

PREPAID ADVANTAGE PROGRAM (SC)  
(Pilot)AVAILABILITY (South Carolina only)

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PROGRAM PROVISIONS

Under this program, the Customer will ~~normally~~ pay for electric service before it is ~~used-consumed~~ allowing the customer to pay in accordance with the customer's desired payment frequency and amount.

To enroll in this program, the customer must make a minimum initial payment of \$40.00. If the applicant for this program is an existing customer with an outstanding balance of no more than ~~\$5300~~, (a) any cash deposit on record may be applied as the initial payment (b) payments will be applied with 40% of the payment going towards an unpaid balance until satisfied with 60% going toward future electric use.

Participants in this program will have access to kilowatt hour usage on a daily basis along with an estimate of the daily cost of electricity via an internet website. The Company will send text messages and/or email alerts which provide estimated dollar amounts remaining before the balance becomes zero. Failure to receive a properly sent alert shall not entitle the customer to additional time to pay to avoid interruption of service. Failure to maintain a positive account balance may result in disconnection of service on the day after the account balance reaches zero; however, service disconnections will occur Monday through Friday no earlier than 10:00 a.m. and typically no later than 2:00 p.m. If disconnection of service is delayed for any reason when the prepayment balance is zero, the customer will accrue a debit balance and the debit balance must be paid along with a payment toward future service in order to maintain or restore service. Service will be reconnected once sufficient payment is received and no reconnect fee will be charged during the pilot.

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If the customer discontinues service under this program but continues electric service at the same residence, the customer will be returned to normal monthly billing and a deposit or other security may be required.

If the customer voluntarily discontinues service at a location, any credit balance on the account will either be refunded to the customer or transferred to the customer's account at a new location.

If the customer's service is disconnected for failure to make a payment towards future service and does not make a payment within ~~fifteen (15) business~~ days to restore service, the account will be final billed and the customer will need to reapply for electric service.